

8 October 1963

**MEMORANDUM FOR THE FILE**

**SUBJECT: Meeting With Treasury Department Officials Concerning  
House Ways And Means Hearing On H. R. 7216**

1. Mr. Warner and [redacted] met with Mr. Stanley S. Surrey, STAT  
Assistant Secretary, Mr. Donald Lubick, Mr. William Olib, and Mr.  
Johannes R. Krahmer, Department of Treasury, to review a proposed  
Agency letter to Chairman Mills, House Ways and Means Committee  
regarding the pending hearing on the H. R. 7216 provision which exempts  
disability payments under the proposed Agency retirement system from  
federal taxation. Mr. Surrey reviewed the bidding regarding Agency  
justification for tax exemption of disability retirement payments and  
concluded that our case (at least from the point of view of Ways and  
Means considerations) will stand or fall with the existent Foreign Service  
exemption.

2. Mr. Surrey is in accord with the proposed letter to Chairman  
Mills and indicated his satisfaction that the Treasury Department and  
the Agency are proceeding on the same line of reasoning in approaching  
this question with the Ways and Means Committee.

[redacted] STAT  
Assistant Legislative Counsel

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